

AUDITING PROCEDURES REPORT

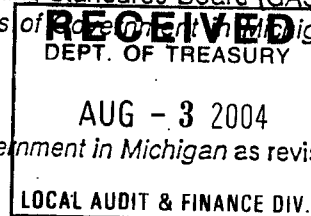
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Local Government Name (Specify) <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other Kasson Township		County Leelanau
Audit Date 3/31/04	Opinion Date 7/23/04	Date Accountant Report Submitted to State: 7/29/04

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.



We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) Tobin & Co., P.C.			
Street Address 400 E. Eighth St.	City Traverse City	State MI	ZIP 49686
Accountant Signature 			

Tobin & Co.

Kasson Township

Leelanau County, Michigan

Audit Report

For the Year Ended March 31, 2004

Tobin & Co.

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INTRODUCTORY SECTION

Tobin & Co.

Comments and Recommendations

We have audited the general purpose financial statements of Kasson Township, Leelanau County, for the year ended March 31, 2004 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Kasson Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

General

The accounting records were maintained in excellent order by your Clerk and Treasurer. Recorded revenues were deposited timely and intact, journals were properly posted, Board minutes were maintained in proper order, and supporting documents and follow-up procedures appeared to be in good order.

Budgets and Procedures

The General Fund expenditure budget was properly adopted, and no cost center exceeded its original expenditures budget without formal Board amendment.

Property Tax Collections

Property taxes collected were distributed to taxing units prior to and immediately following the end of the fiscal year. We commend the Treasurer for the handling of this function. Receipts were filed in order of payment, deposits were made timely and intact and distributions to taxing units were made on a timely basis during the collection period.

Schedule 3 reflects the amount levied, collected and returned delinquent for the 2003 property tax levy. There were apparently no uncollected personal property taxes for the audit year.

Tobin & Co.

Comments and Recommendations

General Fixed Assets

The Statement of Changes in General Fixed Assets (land, buildings, equipment) for the audit year is presented in Note 4.

Insurance and Surety Bond Coverage

Records indicate that the Township has such insurance coverage as fire and extended coverage, liability, and workmen's compensation. Coverage was reviewed during the audit year. The Clerk, Treasurer, and their deputies have surety bond coverage.

Payroll Procedures

Payroll records were properly maintained, required Forms W-2 and 1099 were issued, and reports were submitted on a timely basis. Payroll withholdings were made and remitted as required.

Other Data

We were pleased to note the use of a daily interest bearing savings account and the purchase of certificates of deposit by the Treasurer. This practice resulted in earned interest of \$3,703 for the fiscal year. This is a significant amount for a Township of this size. We commend the Treasurer and other Board members for the attention given in this area of financial management.

After the completion of our audit, we will mail the necessary copies of our report to the State Department of Treasury.

We appreciate the courtesy extended our field examiner in the conduct of the audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

Tobin & Co.

FINANCIAL SECTION

Tobin & Co.

REPORT OF INDEPENDENT AUDITOR

To the Township Board
Kasson Township
Leelanau County
Maple City, Michigan 49664

We have audited the general purpose financial statements of Kasson Township as of and for the year ended March 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of such funds of Kasson Township at March 31, 2004, and the results of operations in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental financial information is presented for the purposes of additional analysis and is not a required part of the general purpose financial statements of Kasson Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Tobin & Co., P.C.

TOBIN & CO., P.C.
Certified Public Accountants
July 23, 2004

Kasson TownshipExhibit ACombined Balance Sheet – All Fund Types and Account GroupsMarch 31, 2004

	Governmental Fund Types	Fiduciary Fund	Account Group General Fixed Assets
<u>Assets</u>	<u>General</u>	<u>Agency</u>	
Cash in Bank	\$ 326,284	\$ 278	\$ -
Taxes Receivable – Delinquent	3,234	-	-
Land and Improvements	-	-	44,905
Buildings and Improvements	-	-	69,876
Furniture and Equipment	-	-	44,711
Total Assets	<u>\$ 329,518</u>	<u>\$ 278</u>	<u>\$ 159,492</u>
<u>Liabilities and Fund Equity</u>			
Liabilities:			
Deferred Revenue	\$ 3,234	\$ -	\$ -
Undistributed Taxes and Interest	-	278	-
Total Liabilities	<u>3,234</u>	<u>278</u>	<u>-</u>
Fund Equity:			
Investment in General Fixed Assets	-	-	159,492
Fund Balance	<u>326,284</u>	<u>-</u>	<u>-</u>
Total Fund Equity	<u>326,284</u>	<u>-</u>	<u>159,492</u>
Total Liabilities and Fund Equity	<u>\$ 329,518</u>	<u>\$ 278</u>	<u>\$ 159,492</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Combined
(Memo Only)

\$ 326,562

3,234

44,905

69,876

44,711

\$ 489,288

\$ 3,234

278

3,512

159,492

326,284

485,776

\$ 489,288

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Kasson Township

Exhibit B

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types

For the Year Ended March 31, 2004

	Total (Memo Only)
<u>Revenues</u>	
Taxes	
Licenses and Permits	\$ 42,724
State Grants	2,220
Charges for Services	108,107
Interest and Rents	45,146
Other	4,943
	<u>100</u>
Total Revenues	<u>203,240</u>
<u>Expenditures</u>	
Legislative	7,922
General Government	49,477
Public Safety	58,950
Public Works	63,300
Recreation and Cultural	1,588
Other	9,390
Capital Outlay	<u>1,584</u>
Total Expenditures	<u>192,211</u>
<u>Excess Revenues</u>	11,029
<u>Fund Balance – Beginning of Year</u>	<u>315,255</u>
<u>Fund Balance – End of Year</u>	<u>\$ 326,284</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Exhibit C

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

General Fund

For the Year Ended March 31, 2004

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 44,030	\$ 42,724	\$ (1,306)
Licenses and Permits	3,000	2,220	(780)
State Grants	114,000	108,107	(5,893)
Charges for Services	47,000	45,146	(1,854)
Interest and Rents	5,200	4,943	(257)
Other	-	100	100
Total Revenues	<u>213,230</u>	<u>203,240</u>	<u>(9,990)</u>
<u>Expenditures</u>			
Legislative	19,750	7,922	11,828
General Government	54,050	49,477	4,573
Public Safety	72,900	58,950	13,950
Public Works	63,300	63,300	-
Recreation and Cultural	2,500	1,588	912
Other	12,500	9,390	3,110
Capital Outlay	<u>6,000</u>	<u>1,584</u>	<u>4,416</u>
Total Expenditures	<u>231,000</u>	<u>192,211</u>	<u>38,789</u>
<u>Excess Expenditures</u>	(1) <u>\$ (17,770)</u>	11,029	<u>\$ 28,799</u>
<u>Fund Balance</u> – Beginning of Year		<u>315,255</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 326,284</u>	
(1) Budgeted from Fund Balance			

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Kasson Township is a general law township located in Leelanau County. Population as of the 2000 census was 1,577, the current state equalized valuation for taxable property is \$92,160,236, and the taxable valuation is \$56,228,362.

The financial statements of the Township include those of separately administered organizations that are controlled by or dependent on the Township. Control or dependence is determined on the basis of oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included as outlined in GASB Statement #14.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The financial activities of the Township are recorded in separate self-balancing funds and account groups, categorized and described as follows:

Governmental Funds

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Account Groups

General Fixed Assets – This account group presents the fixed assets of the Township utilized in its general operations (non-proprietary fixed assets).

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

All governmental and agency funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables when measurable and as revenue when available to finance current operations. Significant revenues susceptible to accrual include property taxes, expenditures reimbursement type grants, certain intergovernmental revenues and operating transfers. Expenditures are recorded when the liability is incurred, except for interest on long-term debt, which is recorded when paid.

D. Measurement Focus

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

E. Budgets

The General Fund is under formal budgetary control. Budgets shown in the financial statements for this fund were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budget for this fund was adopted to the activity or cost center level.

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain general fixed assets consisting of roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and lighting systems are excluded from general fixed assets because such items are immovable and of value only to the Township. General fixed assets are not subject to annual depreciation expense.

Fixed assets are recorded at historical cost. Donated fixed assets are valued and recorded at the fair market value at date of receipt.

G. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

H. Investments

The Township had no investments during the year ended March 31, 2004.

I. Total Column

The "total" columns on the combined financial statements are captioned "memo only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund transactions have not been eliminated in the aggregation of this data.

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. There were no violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2004.
- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2004, the Township complied with Public Act 621.

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) In investment grade obligations of the State of Michigan or its political subdivisions.
- (5) In United States government or federal agency obligation repurchase agreements.
- (6) In bankers' acceptances of United States banks.
- (7) In mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued)

B. Types of Deposits and Investments

The Township had \$335,526 deposited with local banks with a carrying value of \$326,562 at March 31, 2004. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had uninsured deposits of \$213,192 at March 31, 2004.

NOTE 4 - STATEMENTS OF CHANGES IN GENERAL FIXED ASSETS

	<u>3/31/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>3/31/04</u>
Land and Improvements	\$ 44,905	\$ -	\$ -	\$ 44,905
Buildings and Improvements	69,876	-	-	69,876
Furniture and Equipment	<u>43,127</u>	<u>1,584</u>	<u>-</u>	<u>44,711</u>
Total	<u>\$157,908</u>	<u>\$ 1,584</u>	<u>\$ -</u>	<u>\$159,492</u>

NOTE 5 - LONG-TERM DEBT

The Township has no long-term debt at March 31, 2004, and no borrowing is anticipated in the near future.

NOTE 6 - LOANS AND ADVANCES BETWEEN FUNDS

There were no such loans or advances during the audit year.

NOTE 7 - INVENTORIES

Kasson Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses when purchased.

NOTE 8 - PENSION PLAN

The Township participates in a defined contribution pension plan through Manufacturers Life Insurance. By Board resolution covered employees pay 25% of annual contributions, and the Township pays the remaining 75%. The plan is available to all elected officials. For 2003-2004, Township contributions to the plan were \$1,973 plus administrative costs, and employee contributions were approximately \$657. The Township provides social security coverage for its officials and employees.

Tobin & Co.

Kasson Township

Notes to Financial Statements

March 31, 2004

NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

The \$3,234 in Delinquent Taxes Receivable represents 2003 property taxes returned delinquent to the County Treasurer for collection as of March 1, 2004. Revenue recognition is deferred until the taxes are received since the funds were not available for expenditures or obligations of the audit year.

NOTE 10- CONTINGENT LIABILITIES

Township officials are not aware of any contingent liabilities on the part of the Township.

NOTE 11- COMPENSATED ABSENCES

The Township has no compensated absence obligations at March 31, 2004.

NOTE 12- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Kasson Township

Schedule 1

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Taxes			
Current Property Taxes	\$ 40,000	\$ 38,684	\$ (1,316)
Delinquent Property Taxes	2,530	2,530	-
Swampland Taxes	1,500	1,510	10
Licenses and Permits	3,000	2,220	(780)
State Grants:			
State Shared Revenues	114,000	106,859	(7,141)
Metro Act	-	1,248	1,248
Charges for Services:			
Landfill Impact Fees	45,000	40,626	(4,374)
Other	2,000	4,520	2,520
Interest and Rents:			
Interest	4,000	3,703	(297)
Rents and Royalties	1,200	1,240	40
Other:			
Miscellaneous	-	100	100
Total Revenues	<u>213,230</u>	<u>203,240</u>	<u>(9,990)</u>
<u>Expenditures</u>			
Legislative:			
Township Board:			
Salaries and Wages	-	2,870	-
Attorney Fees	-	2,214	-
Association Dues	-	1,015	-
Printing and Publishing	-	855	-
Supplies and Miscellaneous	-	393	-
County Promotion	-	500	-
Utilities	-	75	-
Total Legislative	<u>19,750</u>	<u>7,922</u>	<u>11,828</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Schedule 1

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government:			
Township Supervisor:			
Salaries and Wages	-	7,600	-
Supplies and Miscellaneous	-	-	-
Total	<u>7,700</u>	<u>7,600</u>	<u>100</u>
Elections:			
Salaries and Wages	-	568	-
Supplies and Miscellaneous	-	432	-
Total	<u>1,800</u>	<u>1,000</u>	<u>800</u>
Assessor:			
Salaries and Wages	-	12,060	-
Supplies and Miscellaneous	-	580	-
Total	<u>13,150</u>	<u>12,640</u>	<u>510</u>
Clerk:			
Salaries and Wages	-	11,000	-
Supplies and Miscellaneous	-	324	-
Total	<u>11,800</u>	<u>11,324</u>	<u>476</u>
Board of Review:			
Salaries and Wages	-	563	-
Printing and Publishing	-	121	-
Total	<u>1,600</u>	<u>684</u>	<u>916</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Schedule 1

Page 3

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government:			
Treasurer:			
Salaries and Wages	-	11,300	-
Supplies and Miscellaneous	-	1,161	-
Total	<u>13,000</u>	<u>12,461</u>	<u>539</u>
Township Hall and Grounds:			
Contract Labor	-	368	-
Supplies and Miscellaneous	-	890	-
Public Utilities	-	2,135	-
Total	<u>4,000</u>	<u>3,393</u>	<u>607</u>
Cemetery:			
Contract Labor	-	375	-
Supplies and Miscellaneous	-	-	-
Total	<u>1,000</u>	<u>375</u>	<u>625</u>
Total General Government	<u>54,050</u>	<u>49,477</u>	<u>4,573</u>
Public Safety:			
Fire Protection:			
Contractual Services	-	48,900	-
Total	<u>55,000</u>	<u>48,900</u>	<u>6,100</u>
Planning and Zoning:			
Salaries and Wages	-	9,381	-
Supplies and Miscellaneous	-	121	-
Printing and Advertising	-	548	-
Total	<u>17,900</u>	<u>10,050</u>	<u>7,850</u>
Total Public Safety	<u>72,900</u>	<u>58,950</u>	<u>13,950</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Schedule 1

Page 4

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Public Works:			
Road Maintenance and Improvements	<u>63,300</u>	<u>63,300</u>	<u>-</u>
Total Public Works	<u>63,300</u>	<u>63,300</u>	<u>-</u>
Recreation and Cultural:			
Contract Labor	<u>-</u>	<u>1,170</u>	<u>-</u>
Maintenance	<u>-</u>	<u>418</u>	<u>-</u>
Total Recreation and Cultural	<u>2,500</u>	<u>1,588</u>	<u>912</u>
Other:			
Insurance and Bonds	<u>5,000</u>	<u>4,560</u>	<u>440</u>
Social Security and Medicare	<u>2,800</u>	<u>2,651</u>	<u>149</u>
Pension Program Expense	<u>2,700</u>	<u>2,179</u>	<u>521</u>
Contingency and Other Expense	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total Other	<u>12,500</u>	<u>9,390</u>	<u>3,110</u>
Capital Outlay	<u>6,000</u>	<u>1,584</u>	<u>4,416</u>
Total Expenditures	<u>231,000</u>	<u>192,211</u>	<u>38,789</u>
Excess Revenues (Expenditures)	<u>\$ (17,770)</u>	<u>11,029</u>	<u>\$ 28,799</u>
Fund Balance – Beginning of Year		<u>315,255</u>	
Fund Balance – End of Year		<u>\$ 326,284</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Kasson Township

Schedule 2

Statement of Changes in Assets and Liabilities

Current Tax Collection Fund

For the Year Ended March 31, 2004

	<u>Balances</u> <u>3/31/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>3/31/04</u>
<u>Assets</u>				
Cash	\$ 406	\$ 1,059,029	\$ 1,059,157	\$ 278
Total Assets	\$ 406	\$ 1,059,029	\$ 1,059,157	\$ 278
 <u>Liabilities</u>				
Undistributed Taxes and Interest	\$ 406	\$ 1,059,029	\$ 1,059,157	\$ 278
Total Liabilities	\$ 406	\$ 1,059,029	\$ 1,059,157	\$ 278

The Notes to the Financial Statements are an integral part of this system.

Tobin & Co.

Kasson Township

Schedule 3

2003 Property Tax Levy and Collections

For the Year Ended March 31, 2004

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County Tax	4.1752	\$ 204,560	\$ 191,006	\$ 13,554
County Road Tax	.4914	24,071	22,476	1,595
School District Tax	16.4996	312,537	285,106	27,431
State Education Tax	6.0000	293,969	274,490	19,479
Intermediate School District	3.0302	148,460	138,623	9,837
County Transit Tax (BATA)	.1713	8,387	7,832	555
Township Taxes - General	.7716	37,800	35,295	2,505
Township Library	.2299	<u>11,259</u>	<u>10,513</u>	<u>746</u>
Total		<u>\$ 1,041,043</u>	<u>\$ 965,341</u>	<u>\$ 75,702</u>
State Equalized Valuation		\$92,160,236		
Taxable Valuation		\$56,228,362		
Percent of Levy Collected		92.73%		

The Notes to the Financial Statements are an integral part of this statement.